

RECEIVED
EVKT COE

MAR 1 1956

WASH. STATE LIQUOR CONTROL BOARD

C E R T I F I C A T I O N

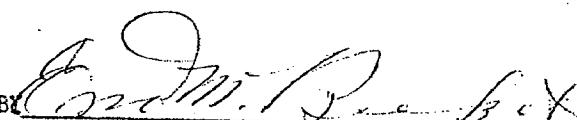
To the Honorable Earl Coe
Secretary of State
State of Washington
Olympia, Washington

THIS IS TO CERTIFY That the following repeals, amendments and adoptions of rules and regulations were adopted by the Washington State Liquor Control Board on the 1st day of March, 1956, to become effective at 12:01 A.M., March 5, 1956; notice of hearing in regard to the repeals, amendments and adoptions of such regulations having been duly given pursuant to the terms of Chapter 216, Laws of 1953:

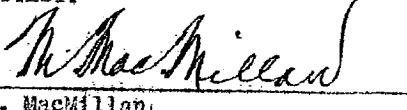
New Regulation to be known as (1.5); Regulation (13)(c); Regulation (16)(a); Regulation (18)(c); Regulation (19)(e); Regulation (20); Regulation (21); Regulation (22); Regulation (23); Regulation (25)(d); Regulation (32)(e); Regulation (38); Regulation (49)(b), (c) and (d); Regulation (61)(a); Regulation (64) 1(b); Regulation (65); Regulation (104); Regulation (105); Regulation (106); Regulation (110); Regulation (111); Regulation (114)(e), (f) and (g); Regulation (118); Regulation (124)(c); Regulation (124)(e); Regulation (125); Regulation (126)(e)4; Regulation (126)(f)3; Regulation (126)(f)4 and 5; Regulation (126)(g).

IN WITNESS WHEREOF, the Washington State Liquor Control Board has caused its name to be hereto subscribed and its seal affixed this 1st day of March, 1956.

WASHINGTON STATE LIQUOR CONTROL BOARD

By 
EVRO M. BECKET
C H A I R M A N

ATTEST:


M. MacMillan
Secretary

DEFENDANT'S
EXHIBIT

CASE
NO. C04-0360P

EXHIBIT
NO. 442

WASHINGTON STATE LIQUOR CONTROL BOARD

Olympia

Title III

Regulation (49), (b), (c) and (d) are hereby amended to read as hereinafter set forth and a new section to be known as (c) shall be added:

Section (b) is hereby amended to read as follows:

(b) Filing Contracts. Every licensed brewer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such brewer may have with any beer wholesaler handling beer manufactured by such licensed brewer, which contracts or memoranda shall contain all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified the changed or modified contracts or memoranda shall forthwith be filed with the board.

Every holder of a Certificate of Approval shall file with the board at its office in Olympia a copy of every written contract and memorandum of every oral agreement which such Certificate of Approval holder may have with any importer whose beer such importer imports; the contracts or memoranda shall contain all terms of sale including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discount allowances. Whenever changed or modified, the changed or modified contracts or memoranda shall be forthwith filed with the board.

Every beer importer who sells any beer to another beer importer or to a beer wholesaler shall file with the board at its office in Olympia a copy of every written contract or memorandum of every oral agreement which such importer may have with such other beer importer or wholesaler whose beer such importer imports; which contracts or memoranda shall contain all terms of sale including all regular and special discounts; all advertising, sales and trade allowances; all commissions, bonuses or gifts and any and all other discount allowances. Whenever changed or modified, the changed or modified contracts or memoranda shall forthwith be filed with the board.

No licensed brewer shall sell beer manufactured by such brewer to any person whatsoever until copies of such written contracts or memoranda of such oral agreements with such wholesaler are on file with the board.

No beer importer shall sell any beer imported by such importer to any person whatsoever until copies of such written contracts or memoranda of such oral agreements with the out-of-state brewer manufacturing such beer are on file with the board; nor shall any beer importer sell any beer imported by such importer to any beer wholesaler until copies of such written contracts or memoranda of such oral agreements with such beer wholesaler are on file with the board.

Section (d) shall hereinafter be known as section (d) and shall be amended to read as follows:

All price postings, contracts and memoranda filed as required by this regulation shall at all times be open to inspection to all trade buyers within the State of Washington and shall not within any sense be considered confidential.

Section (d) shall hereinafter be known as section (e).

A new section to be known as (c) shall be added, reading as follows:

Holders of Certificates of Approval may ship beer into this state when the same has been sold and consigned to the holder of an importers license at his licensed premises. The bill of lading covering such consignment shall not be changed or the beer diverted unless such diversion is to another importer and/or beer wholesaler.

WASHINGTON STATE LIQUOR CONTROL BOARD

Olympia

TITLE XII -

A new section, known as Regulation (124) (e), is adopted and shall read as follows:

That beer and wine shall not be advertised, offered for sale or sold at less than cost or as a loss leader. For the purpose of this subsection, the following definitions apply:

1. "Cost" has its usual meaning and, in addition as applied to production, includes the cost of raw materials, labor and all overhead expenses of the producer, and as applied to distribution, means the carrying cost or replacement cost, whichever is lower, of the commodity to the distributor and vendor plus the cost of doing business by the distributor and vendor;
2. "Cost of doing business" or "overhead expense" means all costs of doing business incurred in the conduct of the business and includes without limitation the following items of expense: Labor (including salaries of executives and officers); rent, depreciation, selling expenses, maintenance of equipment, delivery expense, credit losses, all types of licenses, taxes, insurance and advertising;
3. "Loss leader" means any article or product sold at less than cost in order to induce, promote, or encourage the purchase of other merchandise; or, such sale of which may have the tendency or capacity to mislead purchasers or prospective purchasers or divert trade from or otherwise injure competitors.

- * - * -

Approved for filing
1/20/64